
IN THE SENATE OF THE UNITED STATES,

FEBRUARY 4, 1857.

Read twice and referred to the Committee on the District of Columbia.

AN ACT

To incorporate an Insurance Company in the city of Washington.

1 *Be it enacted by the Senate and House of Representatives*
2 *of the United States of America in Congress assembled, That*
3 Silas H. Hill, William B. Todd, Samuel Bacon, William Wall,
4 Benjamin Beall, Charles Miller, Joseph Bryan, M. W. Galt,
5 Augustus E. Perry, J. C. McGuire, William F. Bayly, Walter
6 Harper, Walter Lennox, and William T. Dove, and their
7 associates and successors, shall be, and they are hereby
8 declared to be, a body politic and corporate by the name and
9 style of the Washington Insurance Company, for the purpose
10 of making insurance on dwellings, houses, stores, and all other
11 kinds of buildings, vessels in port, house furniture, merchan-
12 dise, and all other kinds of property, against loss and damage
13 by fire, and also to make insurance on vessels, merchandise,
14 freight, specie, bullion, commissions, profits, bank notes, bills

15 of exchange, and other evidences of debt, bottomry and re-
16 spondentia interests, and all other personal property or interests
17 in or touching property at sea, land, or water; and that the
18 corporation hereby created shall, by the same name, have
19 succession, and shall be capable in law to sue and be sued,
20 implead and be impleaded, in all courts of law and equity, or
21 elsewhere, and to make and to have a common seal, and the
22 same to break, alter, and renew at their pleasure.

1 **SEC. 2.** *And be it further enacted,* That the persons
2 named in the foregoing section, or a majority of them, are
3 hereby authorized to open a subscription in the city of Wash-
4 ington for raising a capital stock of two hundred thousand
5 dollars, in shares of twenty dollars each, and that each person
6 on subscribing shall pay to the persons above mentioned four
7 dollars on each share subscribed for; and that the remainder
8 of the said twenty dollars shall be secured by negotiable notes,
9 signed and endorsed to the satisfaction of said persons or a
10 majority of them, and payment thereof may be demanded at
11 such times and in such proportions as the president and direct-
12 ors hereafter mentioned shall judge advisable, giving six
13 weeks' notice in three of the gazettes printed in the District
14 of Columbia.

1 **SEC. 3.** *And be it further enacted,* That every subscriber
2 shall be entitled to vote by himself, his agent, or proxy, ap-
3 pointed under his hand and seal, attested by two witnesses, at

4 elections, made by virtue of this act, and shall have as many
5 votes as he holds shares; and every stockholder, not in debt
6 to the company, may, with the assent of the President and
7 directors, in person or by power of attorney, assign and trans-
8 fer his stock in the company on the books of the same, or
9 any part thereof, not less than a share; but no stockholders
10 indebted to the company shall be permitted to make a transfer
11 or receive a dividend until such debt is paid or secured to
12 the satisfaction of the president and directors.

1 **SEC. 4.** *And be it further enacted,* That, as soon as five
2 thousand shares shall be subscribed, the persons hereby au-
3 thorized to receive subscriptions shall call a meeting of the
4 subscribers, giving two weeks' notice in two of the papers
5 printed within the District; and the subscribers who shall
6 assemble, in person or by proxy, shall choose, by ballot, from
7 among the stockholders, by a majority of votes, nine directors,
8 who shall continue in office until the first Monday in Septem-
9 ber, in the year one thousand eight hundred and fifty-seven;
10 on which Monday in September, in every succeeding year
11 thereafter, an election shall be held for nine directors as afore-
12 said, who shall continue in office for one year from the time
13 of their election, and until others shall be chosen in their
14 stead. And the said directors, at their first meeting, shall
15 choose from among themselves, or from the stockholders at
16 large, a president, and allow him a reasonable compensation

17 for his services; and in case of death, removal, resignation, or
 18 other disqualification of the president, or any of the directors,
 19 the remaining directors may elect others to supply their places
 20 during the remainder of the term for which they were chosen;
 21 and in every case where one of the directors shall be chosen
 22 president, the vacancy shall be supplied as in case of death, re-
 23 moval, or resignation; that the persons hereby authorized to
 24 receive subscriptions, or any three of them, be a committee to
 25 superintend the first election of directors, and a committee of
 26 three stockholders be appointed by the directors to superintend
 27 every succeeding election.

1 **SEC. 5.** *And be it further enacted,* That the members of
 2 the company shall not be liable for any loss, damage, or re-
 3 sponsibility arising from any contract of insurance other than
 4 the property they have in the capital or funds of the company,
 5 to the amount of the shares respectively held by them, and any
 6 profits arising therefrom not divided: *Provided,* That said
 7 corporation shall from time to time apply all sums of money
 8 received by them for premiums to the payment of losses in the
 9 first instance, and to make up the amount of their original
 10 capital whenever it shall have suffered any diminution by
 11 losses.

1 **SEC. 6.** *And be it further enacted,* That the president
 2 and directors shall have full power and authority to make in-
 3 surance on dwellings, houses, stores, and all other kinds of

4 buildings, vessels in port, house furniture, merchandise, and
5 all other property, against loss or damage by fire ; and also to
6 make insurance on vessels, merchandise, freight, specie, bul-
7 lion, commissions, profits, bank notes, bills of exchange and
8 other evidences of debt, bottomry and respondentia intersets,
9 and to make all and every insurance connected with marine
10 risks of transportation and navigation; and to cause said com-
11 pany to be reinsured, when deemed expedient, against any
12 risk or risks on which it may make insurance.

1 SEC. 7. *And be it further enacted*, That it shall be the
2 duty of the president and directors to superintend the concerns
3 of the company in all things not otherwise herein provided for,
4 and to cause a proper office to be kept in the city of Wash-
5 ington for the transaction of business ; they shall have power
6 to dispose of, according to the provisions of the second section
7 of this act, the shares remaining unsold at the formation of
8 the company ; to appoint a secretary, and other officers or
9 agents, and to make such compensation for their services as
10 they may deem proper. The president and directors shall
11 hold stated meetings at least once in each month, and at every
12 such meeting shall examine the state of the company's affairs,
13 and act on all matters and things which may come before them ;
14 and they shall hold such other special meetings as they may
15 deem necessary, or when thereunto notified by the president ;

16 the president and three directors, or, in the absence of the
17 president, five directors, shall constitute a quorum.

1 SEC. 8. *And be it further enacted,* That the secretary
2 shall attend daily at the company's office, and receive applica-
3 tions for insurance, and shall, whenever he may deem it neces-
4 sary, examine, alone or jointly with the directors, the prop-
5 erty offered for insurance; he shall cause all the property
6 belonging to the company to be safely kept; shall receive all
7 moneys paid into the office, and shall deposit the same in bank
8 to the credit of the "Washington Insurance Company," sub-
9 ject to be drawn by check or checks signed by the president;
10 he shall sign all policies; and he shall exhibit to the board at
11 each of its stated meetings a full statement of the affairs of the
12 company, and cause the same to be recorded; and said state-
13 ment shall at all times, during office hours, remain subject to
14 the inspection of all persons holding policies of the company.

1 SEC. 9. *And be it further enacted,* That the secretary,
2 with the concurrence of the president, shall have power to
3 make and execute contracts of insurance in behalf of the com-
4 pany; and also to cause said company to be reinsured, when
5 deemed expedient, against any risk it may have insured. But
6 the board may, by a by-law, restrict the authority of the sec-
7 retary and president in this respect; and a larger sum than
8 fifteen thousand dollars shall not be taken at any one risk.

1 SEC. 10. *And be it further enacted,* That the president

2 and directors shall have full power and authority, by a vote of
 3 not less than a majority of the whole board, to establish by-
 4 laws and such regulations as may be necessary to regulate the
 5 concerns of the company : *Provided*, They be not contrary to
 6 this act, and to the laws and Constitution of the United States.

1 **SEC. 11.** *And be it further enacted*, That the president
 2 and directors shall have full power and authority to invest the
 3 capital and surplus funds of the company, from time to time,
 4 in public funds and other securities, and generally to invest and
 5 dispose of the capital, money, and property of the company,
 6 as they shall deem most advantageous.

1 **SEC. 12.** *And be it further enacted*, That the said com-
 2 pany shall have authority to loan its funds, or any part thereof,
 3 to the holders of its policies, upon the security of the mortgages
 4 on unencumbered real estate within the county of Washington
 5 insured by them, but never in amount exceeding one half the
 6 sum insured thereon ; the said loans, when made, to be subject
 7 to reimbursement after a period of sixty days, unless at the
 8 expiration of said credit the company shall agree to a renewal
 9 of the same.

1 **SEC. 13.** *And be it further enacted*, That the said com-
 2 pany shall not be competent to purchase, take, or hold any
 3 real estate other than such as shall be requisite for its imme-
 4 diate accommodation in relation to the convenient transaction
 5 of its business, and such as shall have been bona fide mortgaged

6 or conveyed to it by way of security, or in satisfaction of debts
7 contracted in the course of its dealings, or purchased at sales
8 upon judgments which shall have been obtained for such debts.

1 SEC. 14. *And be it further enacted,* That all policies of
2 insurance and notes, or obligations of every description, shall
3 be signed by the president, and countersigned by the secretary;
4 and no promisory note or obligation, except contracts of in-
5 surance, shall be given without the previous vote of the board
6 of directors; and no sale or transfer of stock or property shall
7 be made, nor any mortgage or bond discharged, except in
8 pursuance of a vote of the said board.

1 SEC. 15. *And be it further enacted,* That a semi-annual
2 statement shall be made of the company's business, on or before
3 the first Monday of January, and the first Monday of July, in
4 each and every year, which statement shall be signed and sworn
5 to by the president and secretary of the company, and be pub-
6 lished in some paper printed in the city of Washington, in
7 order to ascertain the net earned premiums, as near as may be,
8 for the preceding half year; and if it be ascertained that, after
9 payment of all claims against the company, any profits have
10 been made during this period, the directors, or a majority of
11 them, may declare a dividend of said profits, which shall be
12 paid within ten days thereafter; but it shall not be lawful to
13 divide more than two-thirds thereof clear profits until, by the
14 half-yearly appropriation of the other third thereof, a contin-

15 gent fund of twenty thousand dollars shall be formed; and, as
 16 often as the fund shall be impaired by losses, the president and
 17 directors shall continue the half-yearly appropriation aforesaid
 18 until it be restored to the amount before mentioned.

1 SEC. 16. *And be it further enacted*, That nothing in this
 2 act shall be so construed as to authorize this corporation to
 3 issue any note, token, device, scrip, or other evidence of debt,
 4 to be used as currency.

1 SEC. 17. *And be it further enacted*, That the members
 2 of the said corporation shall each be liable in his or her indi-
 3 vidual capacity for all debts created by such corporation in
 4 favor of persons not members thereof, to be recovered by
 5 action of debt in any court having jurisdiction thereof.

1 SEC. 18. *And be it further enacted*, That this act shall be
 2 and continue in force for and during the term of thirty years
 3 from and after the date of its passage, but Congress may, at
 4 any time hereafter, amend or repeal the same.

Passed the House of Representatives February 3, 1857.

Attest :

WILLIAM CULLOM,

Clerk House of Representatives.